

Enclosure to 222 CMGWU, dtd 31 July 1951

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ATTACHMENT "A" TO WH-1-

CONFIDENTIAL

24 July 1951

Operational/

Progress Report #4, 30 JULY 1951

Reference: WH-1-5139; WH-1-39065; ALMO-22565

1. Transmitted herewith, as attachment "B", are the financial accountings for the months of March, April, May, and June, 1951. Since the dispatch re accounting mentioned in second reference has not yet been received, we are forwarding the May and June accountings in the old form.

2. The original subsidy grant of 50,000 Deutsche Marks (third reference) for the first four months of publication was exhausted prior to the end of April, 1951. The deficit incurred was covered from the May allotment of the new grant of 14,000 Deutsche Marks per month for four months beginning May, 1951. To date, the May, June, and July allotments have been transmitted to ZP UVR and the financial accountings for May and June received from them.

3. The ZP UVR is now preparing a précis of past experiences and problems which will include an estimate of future financial requirements plus a sketch of future plans. This will be pouched soonest. We will cable future financial requirements prior to end July in order to permit Washington enough time to approve third subsidy before the end of August, when all presently allotted funds will have been exhausted.

4. Attachment "C" consists of advance resumes of the contents of issues eight through twelve.

5. Attachment "D" consists of copies of issues of UKRAINSKA SPRAVA eight through fifteen.

6. Two copies of RO ZHVI, the military journal of the ZP UVR, for March, 1951, comprise ATTACHMENT "E". This is the first edition of RO ZHVI financed from the funds allotted in second and third references. The enlarged and improved format has greatly increased the interest of the military elements of the Ukrainian emigration in the publication.

7. In conclusion, it can be unequivocally stated that the newspaper has established a very high reputation among the Ukrainian emigration, including factions both friendly and inimical to the ZP UVR. Specifics of this phase will be included in the précis mentioned in paragraph 3 above.

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C. Financial Statement for April, 1942, (issue number 7 and 8)

1. Administrative Reports

The following table shows the distribution of copies of issue number 7 and 8 as follows:

(issue number 7)	U.S.A.	-	1372	Copies
	Canada	-	777	"
	England	-	852	"
	Germany	-	376	"
	Belgium	-	173	"
	France	-	113	"
	Australia	-	120	"
	Others	-	723	"
			<u>1189</u>	"
	Reserve for sale locally		181	"
	Total		<u>1370</u>	"

(issue number 8)	U.S.A.	-	981	Copies
	Canada	-	1571	"
	England	-	852	"
	Germany	-	342	"
	Belgium	-	177	"
	France	-	113	"
	Australia	-	112	"
	Others	-	708	"
			<u>1363</u>	"
	Reserve for sale locally		74	"
	Total		<u>1362</u>	"

The area distribution for issue number 8 changed because we received new requests for sample copies and orders from new subscribers. Without being able to increase the number of copies printed, we had to juggle the distribution of copies to certain countries. Therefore, the reserve copies for local sale were practically eliminated. The distribution of issue number 7 will be the same as that of number 8, but issue number 9 must be increased by at least 1000 copies to take care of the holiday (Easter) demand.

2. Budgetal Expenses

Personnel expenses remained the same as for February (\$4,737.98 net). Administrative expenses have decreased to \$4,632.11 net (\$5,661.92 net for February) through the further reduction of incidental expenses. The cost of printing

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Issue number 3 does not include the costs of photographs which were at a very high price for the 3rd issue. The cost which have been removed from the 3rd issue is \$1.00. Further reduction of administrative costs will not be possible and future costs will fluctuate between \$1.50 and \$1.75. The cost of air mailing the paper to the U.S. and Canada for the month of March amounted to \$301.53 or \$285.53 at the legal air rate.

### B. Future Plans

For the month of April we plan to print only 5000 copies for each number. The holiday or better issue (#9) will be printed in 6000 copies because the further juggling of distribution is not wise. We must always bear in mind that the reaction of our readers abroad will evidence itself only with time. For not sending the paper because the foreign reader has not yet sent in his subscription payment will result only in a loss of readers, many of whom would send in their checks later. At the end of March the number of subscribers and regular purchasers of the newspaper amounted to 2100.

Beginning with the tenth issue we should increase the number of copies of each printing to 7000 at least. As we gain a wider circle of readers, we will have to maintain an increased tempo of dispatch for a considerable length of time.

The decreasing number of copies returned is a better indication of how widely the newspaper is being read than is the growing number of subscribers. The cost of increasing the number of copies of each printing is approximately as follows: 600 RM for one thousand additional copies, 1,200 RM for two thousand additional copies. We might even consider a more rapid increase in copies printed and strive for bi-weekly printing of 10,000 copies by the end of the next four months. The problem is actually financial rather than editorial or administrative.

The editorial board is making progress in the matter of enlisting the support of additional collaborators. In the general theme of the paper, we shall gradually move away from Ukrainian internal matters and assume a more general tone with the accent on Soviet questions. We are now receiving current news from the American and English press. We have been successful in arousing the interest of the foreign press, namely, the Toronto and French (reference is made here to the one page spread in the *Le Monde* and the *Le Monde* in the last issue to a special article by Dominique Guille, reporter of the *Parisian* (1940), who plans to write a three installment article in the *Le Monde* on the underground. It will appear in *Le Monde* in the near future. Functions to the paper have been absolutely positive except for certain responses inspired by cynicism

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individuals from the "circle". We are now trying to interest our scholars and scientists to write for the paper and the professors of the Ukrainian University have already promised their collaboration.

C. Costs of Publications Issues 5 and 6, March, 1951.

Printing	55 - 1,200	IM	
	56 - 1,200	"	
			2,400 IM
Paper	55 - 315	"	
	56 - 405	"	
			720 "
Printing	55 - 340.25	"	
	56 - 360.10	"	
			700.35 "
Photos	55 - 36.30	"	
			36.30 "
Correspondence			52.31 "
Printing Addresses			37.64 "
Office Supplies			32.85 "
Foreign Press			35.00 "
Miscellaneous			176.14 "
Rent			230.00 "
Light			29.92 "
Telephone			27.00 "
Cleaning			50.00 "
Carpet for month of March			4.00 "
Air mail for month of March			1,266.43 "
			5,893.54 IM

Personnel Expenses

Breakdown same as for month of February	4,737.98 "
TOTAL	10,636.52 IM

Total Accounting Through 31 March 1951

January, 1951	21,417.79 IM
February, 1951	10,421.74 "
March, 1951	10,636.52 "
GRAND TOTAL	42,476.05 IM

II. Financial Accounting for April, 1951, (issues number 7, 8, and 9)

A. 1. Administrative Comments:

The breakdown of the financial account for April, 1951, is as follows:

(Issue number 7)	U.S.A.	-	907
	Canada	-	1505
	England	-	907
	Germany	-	312
	Polgium	-	236

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roughed forward	3976
France	150
Australia	242
Other countries	180
Office sales	31
TOTAL	4951 copies

(Issue number 8)	U.S.A.	702
	Canada	1307
	England	376
	Germany	325
	Belgium	238
	France	157
	Australia	246
	Other countries	514
	Office sales	49
	TOTAL	4943 copies

(Issue number 9)	U.S.A.	1027
	Canada	1665
	England	301
	Germany	288
	Belgium	225
	France	170
	Australia	254
	Other countries	505
	Office sales	200
	TOTAL	5253 copies

#### B. Budgetal Remarks

Personnel expenditures remained about the same as previous months (4,735 \$). The publishing costs rose to 6,725 \$ because three instead of the usual two issues were published in this month. This occurred since the paper is published bi-monthly and not twice a month.

The following new names have been added to the list of our collaborators: Professor Ivan Wircuk, Professor Kulchytsky, the young reporter Kulishenko and Professor Panefko.

#### C. Cost of Publishing Issues Number 7, 8, and 9.

Printing	#7 - 1,200	22
	#8 - 1,200	"
	#9 - 1,234.20	"
		3,634.20 \$
Paper	#7 - 405	"
	#8 - 405	"
	#9 - 403.30	"
		1,213.30 "

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	Brought Forw'd	4,902.50 RM
Notes	47 -	
	48 -	
	49 - 134	134.00 "
Station costs	47 - 27.26	"
	48 - 107.71	"
	49 - 238.36	"
		238.33 "
Correspondence		32.15 "
Printing of addresses		
Office supplies		70.58 "
Foreign press		36.76 "
Miscellaneous		47.37 "
Rent		230.00 "
Light and heat		66.24 "
Telephone		34.21 "
Cleaning		50.00 "
Porter for month of April		4.00 "
		<u>6,725.14 RM</u>

Personnel expenditures and social security 4,785.25 "  
 (expenditures for month of April, 1951)-TOTAL 11,510.39 RM

Total Accounting through 30 April 1951

January, 1951	21,419.79 RM
February, 1951	16,421.74 "
March, 1951	10,636.51 "
April, 1951	11,510.39 "
GRAND TOTAL	<u>59,988.43 RM</u>

Since more than the original subsidy of 50,000 RM to cover the first four months of 1951 have been expended for the allotted period, the extra expenditure of 3,988.74 RM will be carried over into the new accounting which begins the new four-month period with a monthly subsidy of 14,000 RM.

III. Financial Accounting for May, 1951, (issues number 10 and 11)

A. Administrative Comments

The breakdown in distribution of copies by countries was as follows:

(Issue number 10)	S.S.A.	-	1220
	China	-	1075
	England	-	203
	Germany	-	601
	Belgium	-	227
	France	-	252
	Australia	-	260
	Other countries	-	506
	Office sales	-	101
	TOTAL		<u>5998 copies</u>

(Issue number 11)	U.S.A.	-	1240
	Canada	-	1240
	England	-	370
	Germany	-	220
	Belgium	-	215
	France	-	210
	Australia	-	213
	Other countries	-	212
	Office sales	-	215
	TOTAL		5739 copies

## 2. Budgetary Remarks

Personnel expenditures remained a practically the same as the previous month (4,722 DM). The publication expenses (for two issues) were a approximately 5,563 DM while the additional cost of publishing and distributing issue number 23 of "Der Kampf" (1,687 DM) brought the total publishing expenses this month to 7,252 DM.

Due to the high cost of air-mail to the U.S. and Canada, henceforth only those subscribers who have paid up their subscriptions fees will receive their copies by air-mail. All others will receive copies by regular post channels.

## 3. Costs of Publishing Issues Number 10 and 11

Printing	#10 - 1,300 DM	
	#11 - 1,300 "	2,600 DM
Paper	#10 - 550 "	
	#11 - 550 "	1,100 "
Photos	#10 - 29.15 "	
	#11 - 59.00 "	89.25 "
Mailing costs	#10 - 482.34 "	
	#11 - 505.81 "	1,043.15 "
Correspondence		32.00 "
Office supplies		36.90 "
Foreign press, books -		137.50 "
Miscellaneous		70.97 "
Rent		280.00 "
Light		17.00 "
Telephone		21.50 "
Cleaning of office		10.00 "
Office guard		4.00 "
		5,563.35 DM
Publishing 20 DM/01		1,407.20 "
Mailing costs 20 DM/01		282.20 "
		7,252.80 "

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Personnel expenditures and social security	12,916.13 "
	1,729.34 "
Over-expenditure from April, 1951	3,733.74 "
(expenditure for May, 1951) TOTAL	15,778.21 "

## IV. Financial requirements for June, 1951, (issues number 12 and 13)

### A. Administrative accounts

The breakdown in distribution of copies by countries was as follows:

(Issue number 12)	U.S.A.	-	1200
	Canada	-	1680
	England	-	990
	Germany	-	622
	Belgium	-	230
	France	-	272
	Australia	-	282
	Other countries	-	526
	Office sales	-	120
	TOTAL		6002 copies

(Issue number 13)	U.S.A.	-	1520
	Canada	-	1684
	England	-	992
	Germany	-	820
	Belgium	-	231
	France	-	284
	Australia	-	295
	Other countries	-	530
	Office sales	-	110
	TOTAL		6856 copies

With the receipt of addresses of possible new subscribers, the number of copies printed has been raised to 6500 beginning with issue number 13. Beginning with issue number 15, we are considering raising the number of copies printed to 7000.

Personnel expenditures have remained about the same as for last month, except that the social security item has increased slightly. Publication expenses increased through the issue of two brochures, THE PROSPECTS OF THE INTERNATIONAL WORKERS (2000 copies) by the INTERNATIONAL WORKERS ORDER and THE PROSPECTS OF THE INTERNATIONAL WORKERS (2000 copies) by the INTERNATIONAL WORKERS ORDER. The two aforementioned cost 750 M. In addition a down payment of 500 M was made for publication of THE PROSPECTS OF THE INTERNATIONAL WORKERS - 1951.



We are planning to increase our publication activity. In July we expect to issue MERN's book and a brochure on the 100th anniversary of the Russian Revolution. This increased activity is essential since there is a definite need for new books to deal with the liberation theme. MERN's 1960 book, Communism and the Negro is also in the process of preparation.

4. Issue of Publishing License 12 and 13

Printing	#12 - 1,420.00 "	
	#13 - <u>1,430.00</u> "	2,900.00 "
Paper	#12 - 550.00 "	
	#13 - <u>600.00</u> "	1,150.00 "
Photos	#12 - 41.45 "	
	#13 - <u>50.25</u> "	91.70 "
Mailing costs	#12 - 124.20 "	
	#13 - <u>552.00</u> "	1,036.20 "
Correspondence		32.36 "
Printing new addresses		33.38 "
Office supplies		162.95 "
Foreign press, books		138.75 "
Miscellaneous		143.50 "
Rent		280.00 "
Light		19.26 "
Telephone		24.60 "
Office cleaning		50.00 "
Guard		4.00 "
Mailing costs for brochures (below)		250.12 "
Publication of <u>MEMORANDUM OF UNDERSTANDING</u>		500.00 "
" " <u>PAROLE TO GREAT BRITAIN</u>		450.00 "
Compensation on <u>WILLIAM LAURENCE - 1941</u>		500.00 "
		7,714.10 "

Personnel expenditures and social security

Total expenditures for June, 1951 - - - - - TOTAL 12,521.76 DM

Total expenditures since 1 May 1961 (Ref: WASHFO-39065)

May, 1951	15,970.91	RM
June, 1951	12,521.76	RM

GRAND TOTAL as of 30 June 1951 28,195.67 lb

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7. Future Plans

Since the second four months unsold period will expire on 31 August 1961, VANGUARD 1 is now in the process of preparing a precis of its past experiences, problems, and its future plans. The precis will include an estimate of the subsidy requirements for the coming six months period beginning 1 September 1961.

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